

Competing in the 21st Century: Navigating the Global Market Place
US Department of Commerce in partnership with Universidad del Este & the
Ana G. Méndez University System
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Hello everyone.

I wish I could have been able to join you personally but my duties in Congress keep me very busy for the good of our beloved Island.

I would like to thank the Sistema Universitario Ana G. Méndez for inviting me to address you about the importance of trade activities for Puerto Rico's economy. I wanted to be a part of this seminar and I commend the University for organizing this event. Community involvement and what arises from these encounters are key to the development of our economy.

Let me start by saying that this seminar could not have come a better time. We are living in a time of economic uncertainty where the challenges we are facing must unite us all in search of common ideas and solutions. Conferences like this one can and will help us find the answers that we need to succeed in these trying times.

Yes, these are difficult times for Puerto Rico but adversity tends to bring out the best in us and I am confident we are on the right track to turn around our economy and put us on the road to progress. And yet, we do need to maintain a sense of urgency. There is no time to lose.

I can vouch for our governor's decisive actions and strategies. Luis Fortuño has put our economy first. Ensuring the stability of our economy lays the groundwork for restarting our growth and turning the corner towards progress. His leadership in guiding us through this crisis will definitely guarantee our success. Our government has made supporting our business community a priority.

Making our Island an attractive place to do business will serve as an important achievement. Improving our infrastructure, providing better services, revamping our permit process, and promoting a stable investment environment are short term

goals for this administration. In fact, viewing the private sector as a partner in the economic progress of Puerto Rico presents a new and desirable backdrop for our future.

From Washington, I have been busy making sure Puerto Rico is treated fairly in all Congressional legislation and in all of President Obama's plans for our Nation. Our Island's fair inclusion in the American Recovery and Reinvestment Act was the result of a strong team effort, which put Puerto Rico's economic needs at the forefront. Puerto Rico needs to insert itself fully in the economy of the United States. Our economy is a regional economy and as such we can compete globally in international markets with success. There is no doubt that involvement in the global markets will bring many benefits to our business community.

This is why I say that this urgency needs to be shared by all sectors of our society, not just the government. We need to be ready to compete as equals. We have to make ourselves more attractive for investment.

We need to think outside the box. Moreover, we, as a people, have to stop looking for a leg up, for that special incentive, for that tax exception. We must be better in our own right. We now have the manpower. We now we have the resources. We certainly have the necessary entrepreneurship and human resources to accomplish it. What is missing is a coming together of the great minds in Puerto Rico; a social pact of sorts for putting our future first; a movement to work together in the same direction, towards the same goal. We must believe in our capacity to compete with anyone, and we must be willing to do what needs to be done. You cannot expect different results by doing the same thing over and over again.

Our businesses have to modernize; our manufacturers have to become more efficient; our workers must go the extra mile and our agricultural companies have to take advantage of new technologies. New business opportunities around the world are becoming available every minute and we have to be at the forefront of these developments. Confidence in our capacity to be proactive will help us become leaders in the business world. Puerto Rico needs to be "open for business" and everyone must be involved in this mission. Tourism, retail, manufacturing, agriculture, all sectors of our economy has to be ready for change.

This event is a wonderful example of initiatives that can be undertaken to guide Puerto Rico forward. Students, educators, business leaders, and state and federal agencies have come together to point out the advantages of engaging in international trade. We are all here to come together looking for ways to help Puerto Rico understand its role in the global economy.

Throughout its history, Puerto Rico has been considered a geographically strategic location; first to Spain and later to the United States. This view, however, has been true so far mainly for military reasons. Nowadays, our position as part of the Caribbean makes us an asset to the United States not just because we serve National defense needs but for much more, including trade opportunities.

In 2005, Congress passed the Dominican Republic Central America- United States Free Trade Agreement. This agreement between the United States and the Dominican Republic, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua presented an incredible opportunity for Puerto Rico's businesses. Thanks to this agreement we are able to export to the Dominican Republic and other Central American countries with less bureaucracy than before.

This has been very beneficial to many sectors of our economy and has also contributed to the fostering of better relations with our neighbors.

Puerto Rico stands to benefit more than any other state from trade with CAFTA-DR countries. And we have yet to take real advantage of this opportunity. We can export more than just goods and services; we can export our bilingualism and our biculturalism. We can truly become a bridge between the U.S. and Latin America. This can definitely bring more growth to Puerto Rico, particularly in the small business sectors. In fact, statistics show that only \$4 billion out of \$60 billion in exports from Puerto Rico are generated from the Island's small businesses. Increasing exports from Puerto Rico's small businesses will greatly contribute to the overall welfare of the Island; by creating more jobs, increasing the local capital and in turn promoting the overall growth of our economy. In essence, when our small businesses grow the entire economy in Puerto Rico stands to benefit. The academic sector is also an integral part of this venture.

Tomorrow's professionals must be trained today. Our future's ideas and discoveries must begin now. Research and development is crucial in obtaining the technology and skill needed to reach our expectations. New career opportunities and investments in upcoming products usually begin in a laboratory class or business school seminar. Internship and career opportunities for college students are also a significant part of this process. These opportunities allow Puerto Rican students to get a firsthand experience in the areas of international trade and the global marketplace. The Federal government has done an excellent job in promoting such programs through its agencies. I strongly encourage these programs and advocate their expansion.

Once again, thank you for your kind invitation. I look forward to continue working with all of you. I wish you all the best during your seminar today. Thank you.